

Historic, Archive Document

Do not assume content reflects current scientific knowledge, policies, or practices.

a 521
A87F3

2



Letter No. 2386

October 27, 1988

NET
CASH INCOME
STABLE

Despite the drought, the net cash income for the farm sector in 1988 will be near or slightly above last year's record \$57.1 billion, according to the U.S. Department of Agriculture. The reasons for the income stability include higher prices, inventory drawdowns, and only moderate decreases in Government payments. However, the fortunes of individual farmers have changed sharply, some gaining from higher prices received and others losing from heavy crop losses or higher feed costs.

MEAT PRODUCTION
UP; CROP, DOWN

The production of red meat and poultry is setting a record this year, helped by increased slaughter in response to higher feed costs, according to the U.S. Department of Agriculture. Production is led by a 9 percent increase in pork. Turkey, broilers, and milk are up moderately; beef and eggs are down. Next year, with reduced breeding stock and downward pressure on producer returns, production of red meat and poultry will be down about 1 percent. U.S. crop production is off 18 percent this year. Most of the drop is in feed grains, which are down one-third. One measure of the drought's impact is the severe drawdown of U.S. grain and oilseed inventories. Most production for 1989/90 will be consumed directly in the U.S. and abroad, not put into stocks.

LOTS OF TURKEY,
BUT NO BARGAINS

The traditional Thanksgiving and Christmas meat, turkey, will be in ample supply this holiday season, but not at the bargain prices seen last year. According to the U.S. Department of Agriculture, wholesale turkey prices have been moving higher since last May, and could average 10 percent above 1987 for this year as a whole.

BRIGHT OUTLOOK
FOR EXPORTS

U.S. farm exports likely grew \$6 billion in value to \$34 billion in the fiscal year which ended September 30, according to the U.S. Department of Agriculture. The volume grew 17 million tons to 146 million, as the U.S. captured a larger share of growing world markets. In fiscal 1989, export volume may decline because of increased competition and stronger prices. However, with higher prices and with continued growth anticipated in high-value products, next year's export value likely will rise further.

U.S. EXPORT SALES
OF CORN & GRAIN
SORGHUM

U.S. corn and grain sorghum export sales for the current marketing year are running 50 percent above the year earlier, according to the U.S. Department of Agriculture. Sales of cotton, rice and soybeans, on the other hand, are one-third to one-half below the previous year. Wheat sales are down slightly through one-third of the marketing year.

SIGN-UP FOR
INSURANCE

Winter growers seeking emergency loans from the Farmers Home Administration emergency loans, based on this year's drought, should immediately determine if they are required to purchase crop insurance for next year, according to the U.S. Department of Agriculture. With some exceptions, any farmer who lost more than 65 percent of normal production must agree to obtain insurance for 1989 crops as a condition for obtaining FmHA emergency loans to help cover 1988 losses. Also, to qualify for any FmHA emergency loans offered as a result of damage to 1989 crops, farmers must have purchased insurance on those crops if it is available.

COMMERCIAL RED
MEAT PRODUCTION

The commercial red meat production for the U.S. in September 1988 totaled 3.46 billion pounds, up 4 percent from September 1987, according to the U.S. Department of Agriculture. The January to September production was 29½ billion pounds, up 4 percent from last year. The September beef production, at 2.04 billion pounds, was unchanged from last year. Pork production, at 1.36 billion pounds, was up 11 percent.

DRUG FREE
AMERICA DAY

In an address at the U.S. Department of Agriculture for a Drug Free America Day Program, Secretary Lyng said, "Last year the Forest Service eradicated more than 250,000 high potency marijuana plants grown illegally on National Forests...plants that had a street value of nearly \$1 billion...and arrested 135 suspects and charged them with felony crimes. The Forest Service has also established a national hotline as a direct link between concerned citizens and this agency responsible for managing the National Forests."

HALFWAY THROUGH
CONSERVATION
PLANNING

The halfway mark has been passed by the Soil Conservation Service of the U.S. Department of Agriculture in developing conservation plans required under the Food Security Act of 1985. Conservation plans have been completed for 75.3 million acres, 53 percent of the estimated 143 million acres of highly erodible cropland needing plans. The goal is to have 65 percent of the plans completed by the end of 1988, and the remaining 35 by the end of 1989.

SALES TO
CHINA, KOREA
AND SPAIN

On October 21 and 25, private exporters reported to the U.S. Department of Agriculture export sales totaling 260,000 metric tons of wheat for delivery to China during the 1988-89 marketing year. Two hundred eighty thousand tons were soft red winter wheat...and 160,000 tons were hard red winter. Also reported were 150,000 tons of corn sold to South Korea, for delivery during 1988-89. Sales of 565,000 metric tons of corn for delivery to Spain were also reported to the USDA.

HORSES MAY
WEAR ONLY
ONE INCH HEELS

The U.S. Department of Agriculture has announced new interim rules, effective October 24, that continue the current prohibitions against the use of heel pads of more than one inch in yearling horses. Heel pads are used to build up horses' hooves to alter their gait for the show ring. This new interim rule is published in the October 24 Federal Register. To comment, send an original and three copies no later than Nov. 23 to: Regulatory Analysis and Development, APHIS, USDA, Room 728, Federal Building, 6505 Belcrest Road, Hyattsville, Md. 20782.

LESS CATFISH Catfish raised on farms, and processed during September, totaled 24.6 million pounds round weight, according to the U.S. Department of Agriculture. This is 7 percent below September 1987. The September 1988 average price paid to growers was 79 cents per pound, 19 cents above the same month last year. The September average prices received by processors for whole fish were \$1.70 per pound for ice pack and \$1.85 for frozen fish.

CATTLE Cattle and calves on feed on October 1, for slaughter in the 13
ON FEED States reporting quarterly totaled 8.58 million head, down 5 percent from Oct. 1, 1987, but 5 percent above 1986, according to the U.S. Department of Agriculture. The 13 States are: Arizona, California, Colorado, Idaho, Illinois, Iowa, Kansas, Minnesota, Nebraska, Oklahoma, S. Dakota, Texas and Washington. Cattle on feed in the 7 monthly reporting States totaled 7.13 million, 5 percent less than the previous year but 5 percent more than 2 years ago. These 7 States are: Arizona, California, Colorado, Iowa, Kansas, Nebraska and Texas.

FROM OUR RADIO AGRICULTURE USA #1639...(Weekly 13½ min documentary) "Money
SERVICE talks for Wisconsin farmers" is a successful Cooperative Extension program for financially stressed farm families. Brenda Curtis talks with University of Wisconsin Extension Program specialist Laurie Boyce and Green Co., Wisc. Ext. home economist Mary Dikebom about this unique program.

AGRITAPE/FARM PROGRAM REPORT #1627...(Weekly reel of news features) USDA news highlights; Disaster payment program; Pesticide protection problems; The Netherlands could be a larger U.S. export market; Volunteers help SCS.

CONSUMER TIME #1119...(Weekly reel of 2½-3 min features) Mega markets; The right starch; Water purification systems; Yellowstone recovery; Children and home emergencies.

USDA RADIO NEWS SERVICE...Mon, Nov. 7, Fruit and tree nut outlook; Tues, Nov. 8, Weekly weather and crop report; Wed, Nov. 9, U.S. crop production report; Soviet grain outlook; World ag. supply and demand; Thurs, Nov. 10, World cotton situation; World oilseed situation; World crop and grain production; Fri, Nov. 11, HOLIDAY. Dial the USDA National News Line 202-488-8358 or 8359. All material changed at 5 p.m. ET each working day.

TELEVISION SERVICE programs, A BETTER WAY, DOWN TO EARTH, AGRICULTURAL UPDATE and SATELLITE NEWS are available on satellite Westar IV, audio 6.2 or 6.8 as follows:

Thursdays....AG UPDATE/SATELLITE NEWS, 7:30-7:45 p.m. ET.....Transponder 12D

Saturdays....A BETTER WAY, 10:00-10:30 a.m. ET.....Transponder 10D

ORIGINAL DOWN TO EARTH, 10:30-11:00 a.m. ET....Transponder 10D

UPLINK SATELLITE NEWS/AG UPDATE, 11:00-11:15 a.m. ET.....Transponder 10D

Mondays.....A BETTER WAY, 8:00-8:30 a.m. ET.....Transponder 12D

REPEAT DOWN TO EARTH, 8:30-9:00 a.m. ET....Transponder 12D

UPLINK SATELLITE NEWS/AG UPDATE, 9:00-9:15 a.m. ET.....Transponder 12D

A BETTER WAY is also available on The Learning Channel SATCOM 3R, Transponder 2, Audio 6.8 each Thursday at 10:30 a.m. ET.

OFFMIKE

One-hour TV program...is being produced by Gary Truitt (Ind. Agri-Bus Net, Indianapolis, IN) titled "The Bottom Line: American Agriculture Gets Down To Business." Scheduled for broadcast in February it will focus on 1989 issues such as markets, inputs, research, weather, with producer comments.

Fall tillage...should be given a good second thought. Elbert Dickey (U. of Nebraska, Extension) says many areas remain dry, and windy weather could prove disastrous next spring as it did last this year, especially in soybean fields that that already have loose soil. Hard surface doesn't necessarily mean compacted soil.

New material...was placed in the Saturday satellite TV News Service transmission last week. Developments in London Friday afternoon regarding Long Term Grain Agreement negotiations were included. Wade Wagner (KGAN-TV, Cedar Rapids, IO) noticed and was the first to inquire whether this is an indicator of things to come. We surely hope so. Our editing sessions are also being changed to accomodate an increased emphasis on news.

Farm Broadcasters Letter
Radio and Television, Rm. 410A
Office of Information, OGPA
U.S. Department of Agriculture
Washington, D.C. 20250-1300

OFFICIAL BUSINESS
Penalty for Private Use \$300

Agri-Voice Indiana Network's...Mike Perrine has moved to WJIL, Jacksonville, IL. Dave Russell (Indiana Farm Bureau) has joined the WGN/Agri-Voice group serving Indiana.

War Of The Worlds...radio program by Orson Welles of 50 years ago was rebroadcast in many regions this past Halloween night. Ray Kremer (NAFB Sales Marketing Director - retired) was a sound effects man on the original broadcast. Ray wrote recently from Mount Dora, FL noting that three members of the cast are alive and active, and that he continues to get interview requests -- especially around Halloween -- regarding the program.

History...10 years ago in this column, Art Schrest (WJBC Bloomington, IL) has succumbed to the farm broadcasting itch as he joins WJBC. 20 years ago, Bob Walton, Chicago, enthusiastically announces the reformation of the Illinois Radio Network with 20 stations.


VIC POWELL, Chief, Radio and Television Division